

PRESS NOTE

EXCISE POLICY OF U.T., CHANDIGARH FOR THE YEAR 2026-27

Chandigarh Administration has approved the new Excise Policy for the year 2026-27. The new Excise Policy aims at strengthening regulatory oversight, improving ease of doing business, ensuring better enforcement, and safeguarding government revenue. The major proposed changes are as under:

1. **Reserve Price of Licensing Units:** There will be total 97 retail sale liquor vends and total reserve price for licensing units for the Excise Policy Year 2026–27 has been fixed at ₹454.35 crore.
2. **Marginal Increase in EDP:** A marginal increase of up to 2% in Ex-Distillery Price (EDP) has been proposed for Country Liquor, IMFL, Indian Beer and Indian Wines, keeping in view inflation and rise in raw material costs. The increase shall not apply to Imported Wines, Imported Beer and Imported Foreign Liquor (IFL). Any proposal for increase in EDP/EBP will be considered only after completion of the first quarter of the Excise Policy Year 2026–27, subject to uninterrupted supply of brands.
3. **Ease of Doing Business – Bonded Warehouses:** The requirement that Custom Approved Bonded Warehouses must be located within UT Chandigarh for obtaining L-1F and L-1DF licences has been relaxed. Such warehouses may now be located anywhere in India, and the requirement of one year prior experience has been removed.
4. **Registration of Bonded Warehouses:** in order to ensure proper enforcement all Custom Approved Bonded Warehouses operating in UT Chandigarh will be required to register on the Excise Portal and furnish monthly details of import and export consignments on the portal by the 7th day of the succeeding month.
5. **No Change in Retail Quota:** The quota of Country Liquor, IMFL and IFL for retail licensing units has been kept unchanged, maintaining a revenue-neutral position as compared to the Excise Policy Year 2025–26.
6. **Re-introduction of L-10B Licence:** It is proposed to re-introduce the L-10B licence to allow sale of liquor through organized departmental stores, with the objective of enhancing consumer convenience, particularly for women, senior citizens and other consumers.
7. **Definition of Family:** A clear definition of “family” has been introduced in the policy to avoid ambiguity and potential litigation.
8. **Revision in Security Amount:** The security amount for retail vend licensees has been increased to 17% of the bid amount.
9. **Licence Fee Payment:** The retail sale liquor vends have to pay the licence fee along with applicable interest once by the 15th of the succeeding month, instead of the earlier system of two instalments.
10. **Strict Enforcement for Non-Payment:** In case of failure to deposit the requisite licence fee, the concerned L-2/L-14A licence as well as all other licences held by the licensee may be cancelled, and recovery proceedings will be initiated as per law.

11. **Procurement by Bar Licensees:** Bar licensees will procure liquor from the nearest two retail vends (L-2/L-14A). If both vends belong to the same entity, procurement may be made from the third nearest vend.
12. **CCTV Monitoring:** Installation of CCTV cameras at additional godowns of retail vends has been proposed to be mandatory, with provision for live feed access to the Department.
13. **Stricter Compliance Measures:** Provisions relating to advertisement of liquor by any of the licensee has been made more stringent, non-compliance of said provisions will attract the penalty. Further, the provisions related to installation of CCTV cameras at bottling plants have been further strengthened.
14. **Bottling Plant Operations:** Working days for bottling plants have been increased from five to six days (Monday to Saturday), with provision for overtime on gazetted holidays and
15. **Security Arrangements:** Security personnel are proposed to be deputed at bottling plants and CCTV control rooms, with salary to be borne by the Department.
16. **Cow Cess:** Cow Cess will continue at the existing rates, i.e., ₹0.50 per bottle of 750 ml Country Liquor, ₹0.50 per bottle of 650 ml Beer, and ₹1 per bottle of 750/700 ml Whisky.
17. **GPS Tracking of Transport Vehicles:** All vehicles used for transportation of liquor for import, export or local supply will be required to be equipped with GPS tracking systems.
18. **Retail Vends in Government Premises:** In cases where retail vends are opened in **government or administration-owned premises**, the licensee shall pay rent directly to the concerned department and complete all related formalities.
19. **Minimum Retail Price of Beer:** The minimum retail sale price of beer is proposed to be revised and fixed range-wise based on EBP.

These proposed measures aim to strengthen regulation, enhance transparency, facilitate trade, and ensure stable revenue generation for the UT Administration while maintaining consumer convenience.